



MICHIGAN  
HOUSE OF REPRESENTATIVES  
P.O. Box 30014  
LANSING, MICHIGAN 48909-7514

## HOUSE STANDING COMMITTEE ON APPROPRIATIONS

Wednesday, May 3<sup>rd</sup>, 2016                      10:00 a.m.                      Room 352 State Capitol Building

Representative Pscholka, Chair, called the meeting to order.

The Chair laid the committee at ease, the time being 10:00 a.m.

The Chair called the committee to order, the time being 10:14 a.m.

Chair Pscholka requested attendance be called to establish a quorum of the appointed committee members:

Present: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman, Aaron Miller, Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Absent: None.

Excused: None.

Representative Garcia moved to approve the minutes from the April 27<sup>th</sup>, 2016 meeting.

There being no objection, the motion was approved by unanimous consent.

The Chair laid HB 5382, HB 5383, HB 5384, HB 5387, SB 711, SB 820, and SB 822 before the committee:

HB 5382	(Pscholka)	Individual income tax; collections; earmark to community district education trust fund; provide for.
HB 5383	(Price)	Education; financing; community district education trust fund; create.
HB 5384	(Garcia)	Education; school districts; education district create.
HB 5387	(Garcia)	Education; employees; certain subjects of collective bargaining for public school employers organized as community districts; limit.
SB 711	(Hansen)	State financing and management; authorities; Michigan financial review commission; expand to include certain school districts.

SB 820	(Hansen)	Public employees and officers; ethics; superintendent or chairperson of a qualified school district, member of a financial review commission, and chief executive officer within a community district; include in exemptions from incompatible offices.
SB 822	(Knezek)	Local government; financing; emergency municipal loan act; modify criteria for issuance of loans.

Bethany Wicksall, representing the House Fiscal Agency, testified on the bills. Questions and discussion followed.

Ken Osborne, representing the Michigan Treasury, testified on the bills. Questions and discussion followed.

The following person submitted a testimony card in opposition to the bills, but did not wish to speak:

Nick Ciaramitaro, representing the American Federation of State, County, and Municipal Employees.

The following people submitted testimony cards in support of the bills, but did not wish to speak:

Bill Wortz, representing the National Heritage Academies.

Beth DeShone, representing the Great Lakes Education Project.

Alicia Urbain, representing the Michigan Association of Public School Academies.

Jared Rurkhart, representing the Michigan Council of Charter School Authorizers.

Julie Rowe, representing the American Federation of Teachers- Michigan, testified in opposition to the bills. Questions and discussion followed.

Senator Hansen and Senator Knezek testified in support of the bills. Questions and discussion followed.

Vice Chair Bumstead assumed the gavel, the time being 11:33 a.m.

Chairman Pscholka assumed the gavel, the time being 11:36 a.m.

Representative Santana testified on the bills.

Representative Poleski testified on the bills.

Representative Singh testified on the bills.

Representative Bumstead moved to adopt substitute (H-1) for HB 5382. The motion prevailed by a vote of 18-11-0.

**FAVORABLE ROLL CALL:**

Yeas: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.

Nays: Reps. Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Pass: None.

Representative Banks offered the following amendment to HB 5382, as substituted (H-1):

1. Amend page 2, line 1, after "**EXCEED**" by striking out "**\$500,000,000.00**" and inserting "**\$715,000,000.00**".

Representative Banks explained the amendment.

Representative Banks moved to adopt the amendment to HB 5382, as substitute (H-1). The motion did not prevail by a vote of 11-18-0.

**UNFAVORABLE ROLL CALL:**

Yeas: Reps. Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Nays: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.

Pass: None.

Representative Bumstead moved to report HB 5382 with recommendation, as substitute (H-1). The motion prevailed by a vote of 17-12-0.

**FAVORABLE ROLL CALL:**

Yeas: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Canfield, Cox, Garcia, Inman and Aaron Miller.

Nays: Reps. Bizon, Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Pass: None.

Representative Bumstead moved to report HB 5383 with recommendation. The motion prevailed by a vote of 17-12-0.

**FAVORABLE ROLL CALL:**

Yeas: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Canfield, Cox, Garcia, Inman and Aaron Miller.

Nays: Reps. Bizon, Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Pass: None.

Representative Bumstead moved to adopt substitute (H-1) for HB 5384. The motion prevailed by

a vote of 15-14-0.

**FAVORABLE ROLL CALL:**

Yeas: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Kelly, Pagel, VerHeulen, Victory, Afendoulis, Canfield, Cox, Garcia, Inman and Aaron Miller.

Nays: Reps. Potvin, McCready, Bizon, Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Pass: None.

Representative Roberts offered the following amendments to HB 5384, as substituted (H-1):

1. Amend page 41, line 2, after "(9)" by striking out "**BOTH**" and inserting "**ALL**".
2. Amend page 42, following line 11, by inserting:  
**"(C) AN AUTHORIZING BODY SHALL NOT ISSUE A CONTRACT TO ORGANIZE AND OPERATE A NEW PUBLIC SCHOOL ACADEMY OR AMEND A CURRENT CONTRACT TO ALLOW A PUBLIC SCHOOL ACADEMY TO OPERATE AN ADDITIONAL SITE UNLESS THE SUPERINTENDENT OF PUBLIC INSTRUCTION DETERMINES THAT THERE IS A POPULATION OF PUPILS RESIDING WITHIN A 5-MILE RADIUS OF THE PROPOSED LOCATION FOR THE NEW PUBLIC SCHOOL ACADEMY OR ADDITIONAL SITE WHO ARE UNDERSERVED BY PUBLIC SCHOOLS."**
3. Amend page 51, line 27, after "(9)" by striking out "**BOTH**" and inserting "**ALL**".
4. Amend page 53, following line 1, by inserting:  
**"(C) AN AUTHORIZING BODY SHALL NOT ISSUE A CONTRACT TO ORGANIZE AND OPERATE A NEW URBAN HIGH SCHOOL ACADEMY OR AMEND A CURRENT CONTRACT TO ALLOW AN URBAN HIGH SCHOOL ACADEMY TO OPERATE AN ADDITIONAL SITE UNLESS THE SUPERINTENDENT OF PUBLIC INSTRUCTION DETERMINES THAT THERE IS A POPULATION OF PUPILS RESIDING WITHIN A 5-MILE RADIUS OF THE PROPOSED LOCATION FOR THE NEW URBAN HIGH SCHOOL ACADEMY OR ADDITIONAL SITE WHO ARE UNDERSERVED BY PUBLIC SCHOOLS."**
5. Amend page 76, line 4, after "(22)" by striking out "**BOTH**" and inserting "**ALL**".
6. Amend page 77, following line 12, by inserting:  
**"(C) AN AUTHORIZING BODY SHALL NOT ISSUE A CONTRACT TO ORGANIZE AND OPERATE A NEW SCHOOL OF EXCELLENCE OR AMEND A CURRENT CONTRACT TO ALLOW A SCHOOL OF EXCELLENCE TO OPERATE AN ADDITIONAL SITE UNLESS THE SUPERINTENDENT OF PUBLIC INSTRUCTION DETERMINES THAT THERE IS A POPULATION OF PUPILS RESIDING WITHIN A 5-MILE RADIUS OF THE PROPOSED LOCATION FOR THE NEW SCHOOL OF EXCELLENCE OR ADDITIONAL SITE WHO ARE UNDERSERVED BY PUBLIC SCHOOLS."**

Representative Roberts explained the amendments.

Representative Roberts moved to adopt the amendments to HB 5384, as substitute (H-1). The motion did not prevail by a vote of 11-18-0.

**UNFAVORABLE ROLL CALL:**

Yeas: Reps. Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Nays: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.

Pass: None.

Representative Durhal offered the following amendments to HB 5384, as substituted (H-1):

1. Amend page 25, line 24, after "**occurs**" by striking out "**at least 180 days**".
2. Amend page 26, line 4, after "**begin**" by striking out "**on January 1**" and inserting "**immediately**".

Representative Durhal explained the amendments.

Representative Durhal moved to adopt the amendments to HB 5384, as substitute (H-1).

Representative Durhal moved to withdraw his motion.

Representative Durhal moved to adopt the amendments to HB 5384, as substitute (H-1). The motion did not prevail by a vote of 11-18-0.

**UNFAVORABLE ROLL CALL:**

Yeas: Reps. Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Nays: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.

Pass: None.

Representative Zemke offered the following amendments to HB 5384, as substituted (H-1):

1. Amend page 96, line 26, after "begins" by striking out the balance of the line through "**1233c**" on line 27.
2. Amend page 97, line 5, after "teacher" by striking out the balance of the subsection and inserting a period.
3. Amend page 97, line 16, by striking out all of sections 1233 through 1237.

Representative Zemke explained the amendments.

Representative Zemke moved to adopt the amendments to HB 5384, as substitute (H-1). The motion did not prevail by a vote of 11-18-0.

**UNFAVORABLE ROLL CALL:**

Yeas: Reps. Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Nays: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.  
Pass: None.

Representative Banks offered the following amendment to HB 5384, as substituted (H-1):

1. Amend page 32, following line 5, by inserting:

**"SEC. 394. (1) IF A QUALIFYING SCHOOL DISTRICT IS A PARTY TO A LEASE BETWEEN THE QUALIFYING SCHOOL DISTRICT AND AN ACHIEVEMENT AUTHORITY, ON OR AFTER THE TRANSFER DATE THE COMMUNITY DISTRICT SHALL NOT RENEW OR EXTEND THE LEASE.**

**(2) IF A QUALIFYING SCHOOL DISTRICT IS A PARTY TO AN INTERLOCAL AGREEMENT WITH A STATE PUBLIC UNIVERSITY CREATING AN ACHIEVEMENT AUTHORITY, AS SOON AS POSSIBLE AFTER THE TRANSFER DATE THE COMMUNITY DISTRICT SHALL TAKE ACTION TO WITHDRAW FROM THAT INTERLOCAL AGREEMENT TO THE EXTENT PERMITTED UNDER THAT INTERLOCAL AGREEMENT.**

**(3) IF A QUALIFYING SCHOOL DISTRICT IS A PARTY TO AN INTERLOCAL AGREEMENT WITH A STATE PUBLIC UNIVERSITY CREATING AN ACHIEVEMENT AUTHORITY, THE COMMUNITY DISTRICT IS NOT AUTHORIZED TO JOINTLY EXERCISE ANY POWERS, PRIVILEGES, OR AUTHORITIES UNDER THAT INTERLOCAL AGREEMENT AFTER THE JUNE 30 FOLLOWING THE TRANSFER DATE.**

**(4) AS USED IN THIS SECTION, "ACHIEVEMENT AUTHORITY" MEANS THAT TERM AS DEFINED IN SECTION 3 OF THE STATE SCHOOL AID ACT OF 1979, MCL 388.1603."**

Representative Banks explained the amendment.

Representative Banks moved to adopt the amendment to HB 5384, as substitute (H-1). The motion did not prevail by a vote of 11-18-0.

#### **UNFAVORABLE ROLL CALL:**

Yeas: Reps. Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Nays: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.  
Pass: None.

Representative Durhal offered the following amendments to HB 5384, as substituted (H-1):

1. Amend page 23, line 23, after "A" by striking out "SUPERINTENDENT" and inserting "CHIEF FINANCIAL OFFICER".

2. Amend page 23, line 25, after the first "THE" by striking out

**"SUPERINTENDENT'S" and inserting "CHIEF FINANCIAL OFFICER'S".**

3. Amend page 24, line 6, after the first **"THE"** by striking out **"SUPERINTENDENT"** and inserting **"CHIEF FINANCIAL OFFICER"**.

4. Amend page 24, line 8, by striking out **"SUPERINTENDENT"** and inserting **"CHIEF FINANCIAL OFFICER"**.

5. Amend page 24, line 8, after the second **"THE"** by striking out **"SUPERINTENDENT"** and inserting **"CHIEF FINANCIAL OFFICER"**.

Representative Durhal explained the amendments.

Representative Durhal moved to adopt the amendments to HB 5384, as substitute (H-1). The motion did not prevail by a vote of 11-18-0.

**UNFAVORABLE ROLL CALL:**

Yeas: Reps. Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Nays: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.

Pass: None.

Representative Yanez offered the following amendments to HB 5384, as substituted (H-1):

1. Amend page 17, line 13, after **"IS"** by striking out **"ENTITLED TO EMPLOYMENT"** and inserting **"EMPLOYED"**.

2. Amend page 17, line 16, after **"DISTRICT."** by striking out the balance of the subdivision.

Representative Yanez explained the amendments.

Representative Yanez moved to adopt the amendments to HB 5384, as substitute (H-1). The motion did not prevail by a vote of 11-18-0.

**UNFAVORABLE ROLL CALL:**

Yeas: Reps. Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Nays: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.

Pass: None.

Representative Banks offered the following amendment to HB 5384, as substituted (H-1):

1. Amend page 20, following line 20, by inserting:  
**"(13) IT IS THE INTENT OF THE LEGISLATURE THAT THE UNITED STATES DEPARTMENT OF JUSTICE SHALL CONDUCT A FORENSIC AUDIT OF ALL FINANCIAL RECORDS OF A QUALIFYING SCHOOL DISTRICT."** and renumbering the remaining subsection.

Representative Banks explained the amendment.

Representative Banks moved to adopt the amendment to HB 5384, as substitute (H-1). The motion did not prevail by a vote of 11-18-0.

**UNFAVORABLE ROLL CALL:**

Yeas: Reps. Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Nays: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.

Pass: None.

Representative Zemke offered the following amendment to HB 5384, as substituted (H-1):

1. Amend page 32, following line 5, by inserting:

**"SEC. 394. (1) SUBJECT TO SUBSECTION (13), FOR A PERIOD OF 5 YEARS AFTER THE TRANSFER DATE, AN EDUCATION COMMISSION SHALL BE IN PLACE FOR A COMMUNITY DISTRICT AS PROVIDED IN THIS SECTION. THE CHIEF ADMINISTRATIVE OFFICER SHALL DETERMINE THE NAME OF THE EDUCATION COMMISSION.**

**(2) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (4), THE EDUCATION COMMISSION SHALL CONSIST OF 7 MEMBERS APPOINTED BY THE CHIEF ADMINISTRATIVE OFFICER AS FOLLOWS:**

**(A) TWO MEMBERS WHO HAVE AT LEAST 5 YEARS OF EXPERIENCE TEACHING IN, SERVING AS A SCHOOL ADMINISTRATOR IN, OR SERVING ON THE BOARD OF DIRECTORS OF A PUBLIC SCHOOL ACADEMY THAT IS LOCATED WITHIN THE COMMUNITY DISTRICT AND IS AUTHORIZED BY THE GOVERNING BOARD OF A STATE PUBLIC UNIVERSITY THAT SERVES AS THE AUTHORIZING BODY FOR AT LEAST 5 PUBLIC SCHOOL ACADEMIES LOCATED WITHIN THE COMMUNITY DISTRICT.**

**(B) TWO MEMBERS WHO HAVE AT LEAST 5 YEARS OF EXPERIENCE TEACHING OR SERVING AS A SCHOOL ADMINISTRATOR IN A PUBLIC SCHOOL OPERATED BY THE COMMUNITY DISTRICT OR OPERATED BY A FIRST CLASS SCHOOL DISTRICT THAT HAS THE SAME BOUNDARIES AS THE COMMUNITY DISTRICT.**

**(C) NE MEMBER WHO, AT THE TIME OF HIS OR HER APPOINTMENT, IS THE PARENT OF AT LEAST 1 PUPIL WHO IS CURRENTLY ENROLLED, AND WHO HAS BEEN ENROLLED FOR AT LEAST 1 FULL SCHOOL YEAR, IN A PUBLIC SCHOOL ACADEMY THAT IS LOCATED WITHIN THE COMMUNITY DISTRICT AND IS AUTHORIZED BY THE GOVERNING BOARD OF A STATE PUBLIC UNIVERSITY THAT SERVES AS THE AUTHORIZING BODY FOR AT LEAST 5 PUBLIC SCHOOL ACADEMIES LOCATED WITHIN THE COMMUNITY DISTRICT. IF A MEMBER APPOINTED UNDER THIS SUBDIVISION CEASES TO HAVE A CHILD ENROLLED IN A PUBLIC SCHOOL ACADEMY MEETING THE REQUIREMENTS UNDER THIS SUBDIVISION, THAT MEMBER SHALL BE**



**CONSIDERED TO HAVE VACATED THE MEMBER'S OFFICE.**

**(D) NE MEMBER WHO, AT THE TIME OF HIS OR HER APPOINTMENT, IS THE PARENT OF AT LEAST 1 PUPIL WHO IS CURRENTLY ENROLLED, AND WHO HAS BEEN ENROLLED FOR AT LEAST 1 FULL SCHOOL YEAR, IN A PUBLIC SCHOOL OPERATED BY THE COMMUNITY DISTRICT. IF A MEMBER APPOINTED UNDER THIS SUBDIVISION CEASES TO HAVE A CHILD ENROLLED IN A PUBLIC SCHOOL OPERATED BY THE COMMUNITY DISTRICT, THAT MEMBER SHALL BE CONSIDERED TO HAVE VACATED THE MEMBER'S OFFICE.**

**(E) ONE MEMBER WHO HAS EXPERTISE IN PUBLIC SCHOOL ACCOUNTABILITY SYSTEMS AND SCHOOL IMPROVEMENT, SUCH AS EXPERIENCE IN EDUCATION POLICY RESEARCH, INCLUDING RESEARCH ON QUANTITATIVE MEASURES OF STUDENT ACADEMIC GROWTH, AND EXPERIENCE WITH THE IMPLEMENTATION OF ACADEMIC ACCOUNTABILITY SYSTEMS.**

**(3) THE CHIEF ADMINISTRATIVE OFFICER SHALL ENSURE THAT, AT ALL TIMES, AT LEAST 5 MEMBERS OF THE EDUCATION COMMISSION ARE RESIDENTS OF THE COMMUNITY DISTRICT.**

**(4) MEMBERS OF THE EDUCATION COMMISSION SHALL SERVE FOR STAGGERED TERMS OF 4 YEARS. TO ACHIEVE THIS STAGGERING, OF THE MEMBERS INITIALLY APPOINTED BY THE CHIEF ADMINISTRATIVE OFFICER UNDER SUBSECTION (2), THE CHIEF ADMINISTRATIVE OFFICER SHALL APPOINT 2 FOR INITIAL TERMS OF 1 YEAR, 2 FOR INITIAL TERMS OF 2 YEARS, 2 FOR INITIAL TERMS OF 3 YEARS, AND 1 FOR AN INITIAL TERM OF 4 YEARS.**

**(5) THE CHIEF ADMINISTRATIVE OFFICER SHALL APPOINT THE INITIAL MEMBERS OF THE EDUCATION COMMISSION UNDER SUBSECTION (2) WITHIN 60 DAYS AFTER THE INITIAL MEMBERS OF THE SCHOOL BOARD OF THE COMMUNITY DISTRICT TAKE OFFICE. IF THE CHIEF ADMINISTRATIVE OFFICER DOES NOT MAKE AN APPOINTMENT WITHIN THAT 60-DAY TIME PERIOD, THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL MAKE THE APPOINTMENT WITHIN 75 DAYS AFTER THE INITIAL MEMBERS OF THE SCHOOL BOARD OF THE COMMUNITY DISTRICT TAKE OFFICE.**

**(6) IF THERE IS A VACANCY AMONG MEMBERS OF THE EDUCATION COMMISSION, WITHIN 30 DAYS AFTER THE VACANCY OCCURS THE CHIEF ADMINISTRATIVE OFFICER SHALL MAKE AN APPOINTMENT TO FILL THE VACANCY IN THE SAME MANNER AS THE ORIGINAL APPOINTMENT FOR THE VACATED SEAT. IF THE CHIEF ADMINISTRATIVE OFFICER DOES NOT MAKE AN APPOINTMENT WITHIN THE TIME PERIOD REQUIRED UNDER THIS SUBSECTION, THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL MAKE THE APPOINTMENT WITHIN 45 DAYS AFTER THE VACANCY OCCURS.**

**(7) THE CHIEF ADMINISTRATIVE OFFICER MAY REMOVE A MEMBER OF THE EDUCATION COMMISSION FROM OFFICE FOR CORRUPT OR WILLFUL MALFEASANCE OR MISFEASANCE IN OFFICE OR FOR WILLFUL NEGLECT OF THE DUTIES OF THE MEMBER'S OFFICE. THE CHIEF ADMINISTRATIVE OFFICER ALSO MAY REMOVE A MEMBER WHO HAS CEASED TO BE A**

**RESIDENT IF REMOVAL IS NECESSARY TO ENSURE COMPLIANCE WITH SUBSECTION (3).**

**(8) AN EDUCATION COMMISSION SHALL MEET AT LEAST MONTHLY FOR AS LONG AS THE EDUCATION COMMISSION IS IN PLACE, AND SHALL REGULARLY REPORT ON ITS ACTIVITIES TO THE SCHOOL BOARD OF THE COMMUNITY DISTRICT.**

**(9) AN EDUCATION COMMISSION AND THE MEMBERS OF AN EDUCATION COMMISSION HAVE GOVERNMENTAL IMMUNITY AS PROVIDED IN SECTION 7 OF 1964 PA 170, MCL 691.1407.**

**(10) WITHIN 3 MONTHS AFTER ITS FIRST MEETING, AN EDUCATION COMMISSION SHALL ADOPT AND IMPLEMENT A CONFLICT OF INTEREST POLICY DESIGNED TO AVOID CONFLICTS OF INTEREST BY EDUCATION COMMISSION MEMBERS. AN EDUCATION COMMISSION'S CONFLICT OF INTEREST POLICY SHALL COMPLY WITH 1968 PA 317, MCL 15.321 TO 15.330.**

**(11) IN CARRYING OUT ITS FUNCTIONS AND RESPONSIBILITIES UNDER THIS PART, AN EDUCATION COMMISSION SHALL SOLICIT INPUT AND CONSIDER RECOMMENDATIONS FROM COMMUNITY GROUPS, PARENT-TEACHER GROUPS, AND OTHER INTERESTED PARTIES WITH RELEVANT EXPERIENCE.**

**(12) A MEMBER OF AN EDUCATION COMMISSION IS A PUBLIC OFFICER AND SHALL, BEFORE ENTERING UPON THE DUTIES OF THE OFFICE, TAKE THE CONSTITUTIONAL OATH OF OFFICE FOR PUBLIC OFFICERS UNDER SECTION 1 OF ARTICLE XI OF THE STATE CONSTITUTION OF 1963.**

**(13) UPON REQUEST BY THE CHIEF ADMINISTRATIVE OFFICER, THE STATE SCHOOL REFORM/REDESIGN OFFICER SERVING UNDER SECTION 1280C MAY ORDER THAT THE EDUCATION COMMISSION SHALL REMAIN IN PLACE FOR THE COMMUNITY DISTRICT FOR AN ADDITIONAL 5-YEAR PERIOD AFTER THE EXPIRATION OF THE 5-YEAR PERIOD DESCRIBED IN SUBSECTION (1). THE STATE SCHOOL REFORM/REDESIGN OFFICER SHALL NOT ISSUE AN ORDER UNDER THIS SUBSECTION UNLESS HE OR SHE DETERMINES THAT THE EDUCATION COMMISSION HAS BEEN EFFECTIVE IN ACHIEVING A TURNAROUND IN THE COMMUNITY DISTRICT BASED ON THE FOLLOWING FACTORS:**

**(A) STABILIZATION OF OR INCREASE IN THE TOTAL MEMBERSHIP ENROLLED IN PUBLIC SCHOOLS LOCATED WITHIN THE COMMUNITY DISTRICT.**

**(B) THE ACADEMIC GROWTH AND PERFORMANCE OF PUPILS ENROLLED IN PUBLIC SCHOOLS LOCATED WITHIN THE COMMUNITY DISTRICT.**

**(C) IMPROVEMENT IN THE FINANCIAL CONDITION OF THE COMMUNITY DISTRICT.**

**SEC. 394A. (1) AN EDUCATION COMMISSION IS A POLITICAL SUBDIVISION AND A PUBLIC BODY CORPORATE SEPARATE AND DISTINCT FROM THE COMMUNITY DISTRICT. AN EDUCATION COMMISSION IS SUBJECT TO THE LEADERSHIP AND GENERAL SUPERVISION OF THE STATE BOARD OVER ALL PUBLIC EDUCATION TO THE EXTENT PROVIDED UNDER**

**SECTION 3 OF ARTICLE VIII OF THE STATE CONSTITUTION OF 1963. AN EDUCATION COMMISSION MAY ACCEPT AND RETAIN MONEY OR OTHER ASSETS FROM ANY PUBLIC OR PRIVATE SOURCE FOR THE PURPOSES OF PERFORMING ITS FUNCTIONS AND SATISFYING ITS OBLIGATIONS UNDER THIS ACT AND CREATING AND PROVIDING INCENTIVES FOR PUBLIC SCHOOLS TO LOCATE IN AREAS IDENTIFIED AS PRIORITY ZONES UNDER SECTION 394D. IN DISTRIBUTING FUNDS OR ASSETS TO PUBLIC SCHOOL ENTITIES, THE EDUCATION COMMISSION SHALL NOT DISCRIMINATE BETWEEN CLASSES OF PUBLIC SCHOOL ENTITIES. IN MAKING SITING RECOMMENDATIONS UNDER SECTION 394D OR A SITING APPROVAL DECISION UNDER SECTION 394E, THE EDUCATION COMMISSION SHALL NOT CONSIDER AS A FACTOR ANY CONTRIBUTION OR GIFT OFFERED TO OR RECEIVED BY THE EDUCATION COMMISSION UNDER THIS SECTION.**

**(2) AN EDUCATION COMMISSION IS EXEMPT FROM ALL TAXATION ON ITS EARNINGS AND PROPERTY. INSTRUMENTS OF CONVEYANCE TO OR FROM AN EDUCATION COMMISSION ARE EXEMPT FROM ALL TAXATION, INCLUDING TAXES IMPOSED BY 1966 PA 134, MCL 207.501 TO 207.513. UNLESS THE PROPERTY IS ALREADY FULLY EXEMPT FROM REAL AND PERSONAL PROPERTY TAXES UNDER THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.1 TO 211.155, PROPERTY OWNED BY AN EDUCATION COMMISSION IS EXEMPT FROM REAL AND PERSONAL PROPERTY TAXES LEVIED FOR SCHOOL OPERATING PURPOSES UNDER SECTION 1211, TO THE EXTENT EXEMPTED UNDER THAT SECTION, AND FROM REAL AND PERSONAL PROPERTY TAXES LEVIED UNDER THE STATE EDUCATION TAX ACT, 1993 PA 331, MCL 211.901 TO 211.906.**

**(3) AN EDUCATION COMMISSION SHALL SELECT FINANCIAL INSTITUTIONS FOR THE DEPOSIT OF FUNDS OF THE EDUCATION COMMISSION. THE EDUCATION COMMISSION SHALL KEEP A SET OF CODED ACCOUNTS TO BE APPROVED BY THE SUPERINTENDENT OF PUBLIC INSTRUCTION. AN EDUCATION COMMISSION SHALL HAVE ITS BOOKS AUDITED AT LEAST ANNUALLY BY A CERTIFIED PUBLIC ACCOUNTANT AND SHALL PROVIDE A COPY OF THE AUDIT REPORT TO THE STATE TREASURER. AN EDUCATION COMMISSION MAY INVEST FUNDS THROUGH A FINANCIAL INSTITUTION THAT IS NOT INELIGIBLE TO BE A DEPOSITORY OF SURPLUS FUNDS BELONGING TO THIS STATE UNDER SECTION 6 OF 1855 PA 105, MCL 21.146. AS USED IN THIS SUBSECTION, "FINANCIAL INSTITUTION" MEANS A STATE OR NATIONALLY CHARTERED BANK OR A STATE OR FEDERALLY CHARTERED SAVINGS AND LOAN ASSOCIATION, SAVINGS BANK, OR CREDIT UNION WHOSE DEPOSITS ARE INSURED BY AN AGENCY OF THE UNITED STATES GOVERNMENT AND THAT MAINTAINS A PRINCIPAL OFFICE OR BRANCH OFFICE LOCATED IN THIS STATE UNDER THE LAWS OF THIS STATE OR THE UNITED STATES.**

**(4) AT THE END OF THE 5-YEAR PERIOD UNDER SECTION 394(1) OR THE ADDITIONAL 5-YEAR PERIOD UNDER SECTION 394(12), AS APPLICABLE, THE EDUCATION COMMISSION SHALL BE FULLY DISSOLVED AND ANY REMAINING ASSETS OF THE EDUCATION COMMISSION SHALL BE**

**TRANSFERRED TO THE COMMUNITY DISTRICT.**

**SEC. 394B. (1) AN EDUCATION COMMISSION SHALL HAVE THE FOLLOWING RIGHTS, POWERS, AND DUTIES:**

**(A) O SUE OR BE SUED.**

**(B) TO HIRE OR CONTRACT WITH PERSONNEL AS NECESSARY FOR THE EDUCATION COMMISSION TO PERFORM ITS FUNCTIONS UNDER THIS ACT. AN EDUCATION COMMISSION MAY INDEMNIFY ITS EMPLOYEES.**

**(C) O PROCURE APPROPRIATE GOODS AND SERVICES IN KINDS AND AMOUNTS NECESSARY TO CARRY OUT THE PURPOSES OF THE EDUCATION COMMISSION.**

**(D) O PROCURE INSURANCE FOR THE EDUCATION COMMISSION AND ITS EMPLOYEES AND CONTRACTORS IN TYPES AND AMOUNTS NECESSARY TO OPERATE THE EDUCATION COMMISSION.**

**(E) TO RECEIVE, ACCOUNT FOR, INVEST, OR EXPEND EDUCATION COMMISSION MONEY.**

**(F) O ACQUIRE, HOLD, AND TRANSFER INTERESTS IN PROPERTY.**

**(2) UNLESS OTHERWISE EXPRESSLY PROVIDED IN THIS ACT, AN EDUCATION COMMISSION SHALL NOT DIRECTLY OR INDIRECTLY OPERATE A PUBLIC SCHOOL OR PROVIDE EDUCATIONAL SERVICES TO ANY PUPIL.**

**SEC. 394C. AN EDUCATION COMMISSION SHALL COMPLY WITH ALL OF THE FOLLOWING:**

**(A) HE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275.**

**(B) THE FREEDOM OF INFORMATION ACT, 1976 PA 442, MCL 15.231 TO 15.246.**

**(C) HE UNIFORM BUDGETING AND ACCOUNTING ACT, 1968 PA 2, MCL 141.421 TO 141.440A.**

**(D) 1968 PA 317, MCL 15.321 TO 15.330.**

**(E) 1978 PA 566, MCL 15.181 TO 15.185.**

**SEC. 394D. (1) SUBJECT TO SUBSECTION (3), NOT LATER THAN 6 MONTHS AFTER THE COMPLETION OF APPOINTMENTS TO THE EDUCATION COMMISSION UNDER SECTION 394, AN EDUCATION COMMISSION SHALL PREPARE AND MAKE PUBLICLY AVAILABLE A REPORT ON THE SITING OF EXISTING AND FUTURE PUBLIC SCHOOLS WITHIN THE COMMUNITY DISTRICT THAT MAKES SPECIFIC SITING RECOMMENDATIONS FOR PUBLIC SCHOOLS WITHIN THE COMMUNITY DISTRICT. THE EDUCATION COMMISSION SHALL PROVIDE A COPY OF THIS REPORT TO THE SCHOOL BOARD OF THE COMMUNITY DISTRICT, TO THE STATE SCHOOL REFORM/REDESIGN OFFICER, TO THE AUTHORIZING BODY OF EACH PUBLIC SCHOOL ACADEMY LOCATED WITHIN THE COMMUNITY DISTRICT, AND TO THE STANDING COMMITTEES OF THE SENATE AND HOUSE OF REPRESENTATIVES WITH RESPONSIBILITY FOR EDUCATION LEGISLATION.**

**(2) SUBJECT TO SUBSECTION (3), AFTER THE EDUCATION COMMISSION HAS COMPLETED AND SUBMITTED THE REPORT UNDER SUBSECTION (1), THE EDUCATION COMMISSION SHALL PREPARE AND MAKE PUBLICLY AVAILABLE AN ANNUAL REPORT UPDATING THE INFORMATION AND RECOMMENDATIONS IN THE REPORT UNDER SUBSECTION (1). THE**

**EDUCATION COMMISSION SHALL PROVIDE A COPY OF EACH ANNUAL REPORT TO THE SCHOOL BOARD OF THE COMMUNITY DISTRICT, TO THE STATE SCHOOL REFORM/REDESIGN OFFICER, TO THE AUTHORIZING BODY OF EACH PUBLIC SCHOOL ACADEMY LOCATED WITHIN THE COMMUNITY DISTRICT, AND TO THE STANDING COMMITTEES OF THE SENATE AND HOUSE OF REPRESENTATIVES WITH RESPONSIBILITY FOR EDUCATION LEGISLATION.**

**(3) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, AN EDUCATION COMMISSION SHALL MAKE ITS SITING RECOMMENDATIONS UNDER SUBSECTIONS (1) AND (2) BASED ON THE SITING OF EXISTING PUBLIC SCHOOLS WITHIN VARIOUS GEOGRAPHIC AREAS WITHIN THE COMMUNITY DISTRICT. THE RECOMMENDATIONS SHALL IDENTIFY AS "PRIORITY ZONES" THOSE GEOGRAPHIC AREAS WHERE THERE IS EXTRAORDINARY NEED FOR THE SITING OF NEW PUBLIC SCHOOLS TO SERVE RESIDENTS OF THOSE AREAS. THE EDUCATION COMMISSION SHALL MAKE ITS SITING RECOMMENDATIONS UNDER SUBSECTIONS (1) AND (2) BASED ON THE SITING OF EXISTING PUBLIC SCHOOLS WITHIN EACH OF THE ZIP CODES LOCATED IN THE COMMUNITY DISTRICT. THE RECOMMENDATIONS SHALL BE BROKEN DOWN BY GRADE CONFIGURATIONS AND SHALL TAKE INTO ACCOUNT AT LEAST ALL OF THE FOLLOWING:**

**(A) HE RATIO OF SCHOOL-AGE POPULATION TO THE ENROLLMENT CAPACITY OF EXISTING PUBLIC SCHOOLS WITHIN EACH AREA. THE RECOMMENDATIONS SHALL EMPHASIZE THE NEED FOR ADDITIONAL PUBLIC SCHOOLS IN AREAS IDENTIFIED AS HAVING UNMET NEED FOR PUBLIC SCHOOLS BASED ON THIS RATIO.**

**(B) THE ACADEMIC OPPORTUNITIES AVAILABLE AT THE EXISTING PUBLIC SCHOOLS WITHIN EACH AREA BASED ON FACTORS IDENTIFIED BY THE EDUCATION COMMISSION, INCLUDING, BUT NOT LIMITED TO, STANDARDIZED TEST SCORES, PUPIL ATTENDANCE, EMPLOYEE ATTENDANCE AND TURNOVER, AND PARENTAL SATISFACTION.**

**(C) HE CONDITION OF THE EXISTING PUBLIC SCHOOL FACILITIES WITHIN EACH AREA, INCLUDING, BUT NOT LIMITED TO, THEIR GEOGRAPHIC DISTRIBUTION, PHYSICAL CONDITION, SUITABILITY FOR ALTERNATIVE GRADE CONFIGURATIONS, AND ENROLLMENT CAPACITY.**

**(D) HE DEMOGRAPHICS AND GENERAL CHARACTERISTICS OF NEIGHBORHOODS WITHIN EACH AREA, INCLUDING, BUT NOT LIMITED TO, SCHOOL-AGE POPULATION, ENROLLMENT TRENDS, CRIME RATES, AND HOUSING INVENTORY.**

**(E) THE ADEQUACY OF TRANSPORTATION AND OTHER PUBLIC SERVICES AVAILABLE TO EXISTING PUBLIC SCHOOLS WITHIN EACH AREA.**

**(4) THIS SECTION DOES NOT AUTHORIZE AN EDUCATION COMMISSION TO ESTABLISH OR RECOMMEND A CAP, BAN, OR MORATORIUM ON THE OPENING OF NEW PUBLIC SCHOOLS WITHIN A COMMUNITY DISTRICT; TO REGULATE OR AUDIT ANY ASPECT OF THE OPERATIONS OF AN EXISTING OR FUTURE PUBLIC SCHOOL ACADEMY OR AUTHORIZING BODY; OR TO EXERCISE ANY OTHER POWER OR AUTHORITY THAT IS NOT EXPRESSLY**

**GRANTED TO AN EDUCATION COMMISSION UNDER THIS PART OR NECESSARILY INCIDENT TO A POWER EXPRESSLY GRANTED TO AN EDUCATION COMMISSION UNDER THIS PART.**

**(5) AS PART OF ITS REPORTS UNDER SUBSECTIONS (1) AND (2), AN EDUCATION COMMISSION MAY INCLUDE AN ASSESSMENT OF THE ACADEMICS AND OPERATIONS OF THE COMMUNITY DISTRICT AND MAKE RECOMMENDATIONS ON THE USE OF FACILITIES, ENROLLMENT, BUILDING CAPACITY, TRANSPORTATION, STUDENT PROFICIENCY AND GROWTH, GRADUATION RATES AND TRENDS, SPECIAL EDUCATION, WRAP-AROUND SERVICES, AND OTHER RELATED MATTERS. THIS SUBSECTION DOES NOT GRANT TO AN EDUCATION COMMISSION ANY AUTHORITY OVER A PUBLIC SCHOOL LOCATED WITHIN THE COMMUNITY DISTRICT WITH REGARD TO ANY RECOMMENDATIONS UNDER THIS SUBSECTION.**

**SEC. 394E. (1) IF THERE IS AN EDUCATION COMMISSION IN PLACE IN A COMMUNITY DISTRICT, EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THE SCHOOL BOARD OF THE COMMUNITY DISTRICT SHALL NOT TAKE ACTION TO APPROVE THE OPENING OF A NEW PUBLIC SCHOOL AND AN AUTHORIZING BODY SHALL NOT ISSUE A CONTRACT FOR A NEW PUBLIC SCHOOL ACADEMY TO BE LOCATED IN THE COMMUNITY DISTRICT WITHOUT SITING APPROVAL BY THE EDUCATION COMMISSION UNDER SUBSECTION (2). THIS SITING APPROVAL IS NOT REQUIRED FOR A PROPOSED NEW SCHOOL IF THAT SCHOOL MEETS EITHER OF THE FOLLOWING:**

**(A) HE NEW SCHOOL WILL BE OPERATED BY THE SCHOOL BOARD OF THE COMMUNITY DISTRICT AND WILL REPLICATE A SPECIFIC EXISTING SCHOOL THAT IS OPERATED BY THE COMMUNITY DISTRICT AND THAT HAS BEEN DETERMINED BY THE EDUCATION COMMISSION TO BE A HIGH-PERFORMING SCHOOL. FOR THE PURPOSES OF THE LIMITATION UNDER THIS SUBDIVISION, THERE MAY NOT BE MORE THAN 1 NEW SCHOOL REPLICATING A SPECIFIC EXISTING SCHOOL.**

**(B) IF THE ACCOUNTABILITY SYSTEM UNDER SECTION 393 HAS BEEN IN EFFECT FOR FEWER THAN 3 SCHOOL YEARS, THE NEW SCHOOL WILL BE A PUBLIC SCHOOL ACADEMY THAT WILL REPLICATE A SPECIFIC EXISTING PUBLIC SCHOOL THAT IS OPERATED BY THE SAME GOVERNING BOARD OR EDUCATIONAL MANAGEMENT ORGANIZATION THAT WILL OPERATE THE PROPOSED NEW PUBLIC SCHOOL ACADEMY AND THAT HAS BEEN DETERMINED BY THE EDUCATION COMMISSION TO BE A HIGH-PERFORMING SCHOOL. FOR THE PURPOSES OF THE LIMITATION UNDER THIS SUBDIVISION, THERE MAY NOT BE MORE THAN 1 NEW PUBLIC SCHOOL ACADEMY REPLICATING A SPECIFIC EXISTING PUBLIC SCHOOL.**

**(2) IF THERE IS AN EDUCATION COMMISSION IN PLACE IN A COMMUNITY DISTRICT, FOR A PROPOSED NEW SCHOOL THAT IS NOT EXEMPT UNDER SUBSECTION (1) FROM THE REQUIREMENT FOR EDUCATION COMMISSION SITING APPROVAL, BEFORE THE SCHOOL BOARD OF THE COMMUNITY DISTRICT TAKES ACTION TO APPROVE THE OPENING OF A NEW PUBLIC SCHOOL OR AN AUTHORIZING BODY ISSUES A CONTRACT FOR**

**A NEW PUBLIC SCHOOL ACADEMY TO BE LOCATED IN THE COMMUNITY DISTRICT, THE SCHOOL BOARD OR AUTHORIZING BODY SHALL SUBMIT A WRITTEN REQUEST FOR SITING APPROVAL TO THE EDUCATION COMMISSION. THE EDUCATION COMMISSION SHALL CONSIDER AND ACT TO APPROVE OR DISAPPROVE A SITING APPROVAL REQUEST WITHIN 90 DAYS AFTER IT IS SUBMITTED TO THE EDUCATION COMMISSION. THE SITING APPROVAL REQUEST IS CONSIDERED TO BE APPROVED IF THE EDUCATION COMMISSION DOES NOT DISAPPROVE THE SITING APPROVAL REQUEST WITHIN 90 DAYS AFTER IT IS SUBMITTED FOR APPROVAL. IF THE EDUCATION COMMISSION DISAPPROVES A SITING APPROVAL REQUEST DESCRIBED IN THIS SUBDIVISION, THE PERSON SUBMITTING THE REQUEST MAY APPEAL THAT DECISION TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION WITHIN 30 DAYS AFTER THE DATE OF THE DISAPPROVAL. THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL CONSIDER THE APPEAL WITHIN 60 DAYS AFTER IT IS SUBMITTED. UNLESS THE SUPERINTENDENT OF PUBLIC INSTRUCTION DETERMINES WITHIN THIS 60-DAY PERIOD THAT THE DISAPPROVAL WAS ARBITRARY AND CAPRICIOUS, THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL AFFIRM THE DISAPPROVAL. IF THE SUPERINTENDENT OF PUBLIC INSTRUCTION ISSUES TO THE PERSON SUBMITTING THE REQUEST AND THE EDUCATION COMMISSION WITHIN THIS 60-DAY PERIOD A FINDING THAT THE DISAPPROVAL WAS ARBITRARY AND CAPRICIOUS, THE SITING APPROVAL REQUEST SHALL BE CONSIDERED TO BE APPROVED. THE DECISION OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION IS FINAL AND IS NOT SUBJECT TO FURTHER APPEAL.**

**(3) IF THERE IS AN EDUCATION COMMISSION IN PLACE IN THE COMMUNITY DISTRICT, FOR A PROPOSED NEW SCHOOL THAT IS EXEMPT UNDER SUBSECTION (1) FROM THE REQUIREMENT FOR EDUCATION COMMISSION SITING APPROVAL, BEFORE THE SCHOOL BOARD OF THE COMMUNITY DISTRICT TAKES ACTION TO APPROVE THE OPENING OF A NEW PUBLIC SCHOOL OR AN AUTHORIZING BODY ISSUES A CONTRACT FOR A NEW PUBLIC SCHOOL ACADEMY TO BE LOCATED IN THE COMMUNITY DISTRICT, THE SCHOOL BOARD OR AUTHORIZING BODY SHALL PROVIDE THE EDUCATION COMMISSION OF THE COMMUNITY DISTRICT A PERIOD OF AT LEAST 90 DAYS TO SUBMIT WRITTEN COMMENTS CONCERNING THE LOCATION OF THE PROPOSED NEW SCHOOL, UNLESS THE EDUCATION COMMISSION AGREES IN WRITING TO WAIVE THE COMMENT PERIOD. IF THE EDUCATION COMMISSION SUBMITS WRITTEN COMMENTS CONCERNING THE LOCATION OF THE PROPOSED NEW SCHOOL, THE SCHOOL BOARD OR AUTHORIZING BODY SHALL CONSIDER THE EDUCATION COMMISSION'S COMMENTS AS PART OF ITS DECISION WHETHER OR NOT TO TAKE FINAL ACTION TO APPROVE THE OPENING OF THE NEW SCHOOL OR TO ISSUE A CONTRACT FOR THE NEW PUBLIC SCHOOL ACADEMY, AS APPLICABLE.**

**(4) AS PART OF THE COMMENT PROCESS UNDER SUBSECTION (3), THE EDUCATION COMMISSION MAY REQUEST THE STATE SCHOOL**

**REFORM/REDESIGN OFFICER TO REVIEW A PROPOSED NEW SCHOOL TO ENSURE THAT IT MEETS THE STANDARDS UNDER SUBSECTION (5) FOR BEING CONSIDERED TO BE REPLICATING AN EXISTING SCHOOL. IF THE EDUCATION COMMISSION REQUESTS SUCH A REVIEW, THE STATE SCHOOL REFORM/REDESIGN OFFICER SHALL CONDUCT THE REVIEW. IF THE STATE SCHOOL REFORM/REDESIGN OFFICER DETERMINES AS A RESULT OF THE REVIEW THAT A PROPOSED NEW SCHOOL DOES NOT MEET THE STANDARDS UNDER SUBSECTION (5) FOR BEING CONSIDERED TO BE REPLICATING AN EXISTING SCHOOL, THE STATE SCHOOL REFORM/REDESIGN OFFICER SHALL NOTIFY THE SCHOOL BOARD OF THE COMMUNITY DISTRICT OR THE AUTHORIZING BODY, AS APPLICABLE, OF THIS DETERMINATION. A REVIEW BY THE STATE SCHOOL REFORM/REDESIGN OFFICER UNDER THIS SUBSECTION IS LIMITED TO THE ISSUE OF WHETHER A PROPOSED NEW SCHOOL MEETS THE STANDARDS UNDER SUBSECTION (5) FOR BEING CONSIDERED TO BE REPLICATING AN EXISTING SCHOOL AND SHALL NOT CONSIDER SITING OF THE PROPOSED NEW SCHOOL OR ANY OTHER ISSUE.**

**(5) FOR THE PURPOSES OF THIS SECTION, A NEW SCHOOL IS CONSIDERED TO BE REPLICATING AN EXISTING SCHOOL IF THE NEW SCHOOL WILL OPERATE USING THE SAME EDUCATIONAL AND OPERATIONAL MODELS AS THE EXISTING SCHOOL, WILL OPERATE THE SAME AGE OR GRADE CONFIGURATION AS THE EXISTING SCHOOL, AND WILL HAVE A DEMOGRAPHICALLY SIMILAR EXPECTED PUPIL POPULATION AS THE EXISTING SCHOOL.**

**SEC. 394F. A COMMUNITY DISTRICT AND THE PUBLIC SCHOOL ACADEMIES LOCATED WITHIN THE COMMUNITY DISTRICT SHALL COLLABORATE TO CREATE A COMMON APPLICATION AND APPLICATION PROCESS TO BE USED FOR ALL PUPILS SEEKING TO ENROLL IN A PUBLIC SCHOOL LOCATED WITHIN THE COMMUNITY DISTRICT. THE EDUCATION COMMISSION SHALL MAINTAIN A COMMON INFORMATION CLEARINGHOUSE WITH AT LEAST ENROLLMENT AND ACADEMIC INFORMATION ABOUT EACH PUBLIC SCHOOL LOCATED WITHIN THE COMMUNITY DISTRICT AND INFORMATION ABOUT THE COMMON APPLICATION AND APPLICATION PROCESS, INCLUDING AT LEAST ENROLLMENT TIME PERIODS AND WINDOWS. A PUBLIC SCHOOL LOCATED WITHIN THE COMMUNITY DISTRICT SHALL PROVIDE TO THE EDUCATION COMMISSION ALL INFORMATION THE EDUCATION COMMISSION CONSIDERS NECESSARY FOR THE CLEARINGHOUSE, IN THE FORM AND MANNER PRESCRIBED BY THE EDUCATION COMMISSION, AND A NONPUBLIC SCHOOL LOCATED WITHIN THE COMMUNITY DISTRICT MAY PROVIDE THIS INFORMATION. THE EDUCATION COMMISSION SHALL MAKE ALL INFORMATION MAINTAINED BY THE CLEARINGHOUSE AVAILABLE ONLINE AND IN HARD COPY UPON REQUEST.**

**SEC. 394G. ALL PUBLIC SCHOOLS LOCATED WITHIN THE BOUNDARIES OF A COMMUNITY DISTRICT ARE SUBJECT TO THE AUTHORITY PROVIDED FOR AN EDUCATION COMMISSION UNDER SECTIONS 394 TO 394F."**



Representative Zemke explained the amendment.

Representative Zemke moved to adopt the amendment to HB 5384, as substitute (H-1). The motion did not prevail by a vote of 11-18-0.

**UNFAVORABLE ROLL CALL:**

Yeas: Reps. Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Nays: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.

Pass: None.

Representative Zemke offered the following amendment to HB 5384, as substituted (H-1):

1. Amend page 33, following line 11, by inserting:

**"SEC. 397. IT IS THE INTENT OF THE LEGISLATURE TO ENACT LEGISLATION TO PROVIDE THAT AN AMOUNT EQUAL TO 10% OF THE FOUNDATION ALLOWANCE OR PER PUPIL ALLOCATION AS CALCULATED UNDER SECTION 20 OF THE STATE SCHOOL AID ACT OF 1979, MCL 388.1620, FOR EACH PUPIL WHO RESIDES WITHIN A COMMUNITY DISTRICT SHALL BE DEDUCTED FROM THE TOTAL STATE SCHOOL AID OF THE SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY IN WHICH THE PUPIL IS ENROLLED AND INSTEAD PAID TO THE INTERMEDIATE SCHOOL DISTRICT IN WHICH THE COMMUNITY DISTRICT IS LOCATED TO BE USED TO DEVELOP AND IMPLEMENT A PUPIL TRANSPORTATION SYSTEM TO PROVIDE TRANSPORTATION TO AND FROM SCHOOL FOR ALL PUPILS ENROLLED IN ANY PUBLIC SCHOOL LOCATED WITHIN THE COMMUNITY DISTRICT."**

Representative Zemke explained the amendment.

Representative Zemke moved to adopt the amendment to HB 5384, as substitute (H-1). The motion did not prevail by a vote of 11-18-0.

**UNFAVORABLE ROLL CALL:**

Yeas: Reps. Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Nays: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.

Pass: None.

Representative Banks offered the following amendment to HB 5384, as substituted (H-1):

1. Amend page 32, following line 5, by inserting:

**"SEC. 394. (1) SUBJECT TO SUBSECTION (13), FOR A PERIOD OF 5 YEARS AFTER THE TRANSFER DATE, AN EDUCATION COMMISSION SHALL BE IN PLACE FOR A COMMUNITY DISTRICT AS PROVIDED IN THIS SECTION. THE**

**CHIEF ADMINISTRATIVE OFFICER SHALL DETERMINE THE NAME OF THE EDUCATION COMMISSION.**

**(2) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (4), THE EDUCATION COMMISSION SHALL CONSIST OF 7 MEMBERS APPOINTED BY THE CHIEF ADMINISTRATIVE OFFICER AS FOLLOWS:**

**(A) TWO MEMBERS WHO HAVE AT LEAST 5 YEARS OF EXPERIENCE TEACHING IN, SERVING AS A SCHOOL ADMINISTRATOR IN, OR SERVING ON THE BOARD OF DIRECTORS OF A PUBLIC SCHOOL ACADEMY THAT IS LOCATED WITHIN THE COMMUNITY DISTRICT AND IS AUTHORIZED BY THE GOVERNING BOARD OF A STATE PUBLIC UNIVERSITY THAT SERVES AS THE AUTHORIZING BODY FOR AT LEAST 5 PUBLIC SCHOOL ACADEMIES LOCATED WITHIN THE COMMUNITY DISTRICT.**

**(B) TWO MEMBERS WHO HAVE AT LEAST 5 YEARS OF EXPERIENCE TEACHING OR SERVING AS A SCHOOL ADMINISTRATOR IN A PUBLIC SCHOOL OPERATED BY THE COMMUNITY DISTRICT OR OPERATED BY A FIRST CLASS SCHOOL DISTRICT THAT HAS THE SAME BOUNDARIES AS THE COMMUNITY DISTRICT.**

**(C) NE MEMBER WHO, AT THE TIME OF HIS OR HER APPOINTMENT, IS THE PARENT OF AT LEAST 1 PUPIL WHO IS CURRENTLY ENROLLED, AND WHO HAS BEEN ENROLLED FOR AT LEAST 1 FULL SCHOOL YEAR, IN A PUBLIC SCHOOL ACADEMY THAT IS LOCATED WITHIN THE COMMUNITY DISTRICT AND IS AUTHORIZED BY THE GOVERNING BOARD OF A STATE PUBLIC UNIVERSITY THAT SERVES AS THE AUTHORIZING BODY FOR AT LEAST 5 PUBLIC SCHOOL ACADEMIES LOCATED WITHIN THE COMMUNITY DISTRICT. IF A MEMBER APPOINTED UNDER THIS SUBDIVISION CEASES TO HAVE A CHILD ENROLLED IN A PUBLIC SCHOOL ACADEMY MEETING THE REQUIREMENTS UNDER THIS SUBDIVISION, THAT MEMBER SHALL BE CONSIDERED TO HAVE VACATED THE MEMBER'S OFFICE.**

**(D) NE MEMBER WHO, AT THE TIME OF HIS OR HER APPOINTMENT, IS THE PARENT OF AT LEAST 1 PUPIL WHO IS CURRENTLY ENROLLED, AND WHO HAS BEEN ENROLLED FOR AT LEAST 1 FULL SCHOOL YEAR, IN A PUBLIC SCHOOL OPERATED BY THE COMMUNITY DISTRICT. IF A MEMBER APPOINTED UNDER THIS SUBDIVISION CEASES TO HAVE A CHILD ENROLLED IN A PUBLIC SCHOOL OPERATED BY THE COMMUNITY DISTRICT, THAT MEMBER SHALL BE CONSIDERED TO HAVE VACATED THE MEMBER'S OFFICE.**

**(E) ONE MEMBER WHO HAS EXPERTISE IN PUBLIC SCHOOL ACCOUNTABILITY SYSTEMS AND SCHOOL IMPROVEMENT, SUCH AS EXPERIENCE IN EDUCATION POLICY RESEARCH, INCLUDING RESEARCH ON QUANTITATIVE MEASURES OF STUDENT ACADEMIC GROWTH, AND EXPERIENCE WITH THE IMPLEMENTATION OF ACADEMIC ACCOUNTABILITY SYSTEMS.**

**(3) THE CHIEF ADMINISTRATIVE OFFICER SHALL ENSURE THAT, AT ALL TIMES, AT LEAST 5 MEMBERS OF THE EDUCATION COMMISSION ARE RESIDENTS OF THE COMMUNITY DISTRICT.**

**(4) MEMBERS OF THE EDUCATION COMMISSION SHALL SERVE FOR**

**STAGGERED TERMS OF 4 YEARS. TO ACHIEVE THIS STAGGERING, OF THE MEMBERS INITIALLY APPOINTED BY THE CHIEF ADMINISTRATIVE OFFICER UNDER SUBSECTION (2), THE CHIEF ADMINISTRATIVE OFFICER SHALL APPOINT 2 FOR INITIAL TERMS OF 1 YEAR, 2 FOR INITIAL TERMS OF 2 YEARS, 2 FOR INITIAL TERMS OF 3 YEARS, AND 1 FOR AN INITIAL TERM OF 4 YEARS.**

**(5) THE CHIEF ADMINISTRATIVE OFFICER SHALL APPOINT THE INITIAL MEMBERS OF THE EDUCATION COMMISSION UNDER SUBSECTION (2) WITHIN 60 DAYS AFTER THE INITIAL MEMBERS OF THE SCHOOL BOARD OF THE COMMUNITY DISTRICT TAKE OFFICE. IF THE CHIEF ADMINISTRATIVE OFFICER DOES NOT MAKE AN APPOINTMENT WITHIN THAT 60-DAY TIME PERIOD, THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL MAKE THE APPOINTMENT WITHIN 75 DAYS AFTER THE INITIAL MEMBERS OF THE SCHOOL BOARD OF THE COMMUNITY DISTRICT TAKE OFFICE.**

**(6) IF THERE IS A VACANCY AMONG MEMBERS OF THE EDUCATION COMMISSION, WITHIN 30 DAYS AFTER THE VACANCY OCCURS THE CHIEF ADMINISTRATIVE OFFICER SHALL MAKE AN APPOINTMENT TO FILL THE VACANCY IN THE SAME MANNER AS THE ORIGINAL APPOINTMENT FOR THE VACATED SEAT. IF THE CHIEF ADMINISTRATIVE OFFICER DOES NOT MAKE AN APPOINTMENT WITHIN THE TIME PERIOD REQUIRED UNDER THIS SUBSECTION, THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL MAKE THE APPOINTMENT WITHIN 45 DAYS AFTER THE VACANCY OCCURS.**

**(7) THE CHIEF ADMINISTRATIVE OFFICER MAY REMOVE A MEMBER OF THE EDUCATION COMMISSION FROM OFFICE FOR CORRUPT OR WILLFUL MALFEASANCE OR MISFEASANCE IN OFFICE OR FOR WILLFUL NEGLECT OF THE DUTIES OF THE MEMBER'S OFFICE. THE CHIEF ADMINISTRATIVE OFFICER ALSO MAY REMOVE A MEMBER WHO HAS CEASED TO BE A RESIDENT IF REMOVAL IS NECESSARY TO ENSURE COMPLIANCE WITH SUBSECTION (3).**

**(8) AN EDUCATION COMMISSION SHALL MEET AT LEAST MONTHLY FOR AS LONG AS THE EDUCATION COMMISSION IS IN PLACE, AND SHALL REGULARLY REPORT ON ITS ACTIVITIES TO THE SCHOOL BOARD OF THE COMMUNITY DISTRICT.**

**(9) AN EDUCATION COMMISSION AND THE MEMBERS OF AN EDUCATION COMMISSION HAVE GOVERNMENTAL IMMUNITY AS PROVIDED IN SECTION 7 OF 1964 PA 170, MCL 691.1407.**

**(10) WITHIN 3 MONTHS AFTER ITS FIRST MEETING, AN EDUCATION COMMISSION SHALL ADOPT AND IMPLEMENT A CONFLICT OF INTEREST POLICY DESIGNED TO AVOID CONFLICTS OF INTEREST BY EDUCATION COMMISSION MEMBERS. AN EDUCATION COMMISSION'S CONFLICT OF INTEREST POLICY SHALL COMPLY WITH 1968 PA 317, MCL 15.321 TO 15.330.**

**(11) IN CARRYING OUT ITS FUNCTIONS AND RESPONSIBILITIES UNDER THIS PART, AN EDUCATION COMMISSION SHALL SOLICIT INPUT AND CONSIDER RECOMMENDATIONS FROM COMMUNITY GROUPS, PARENT-TEACHER GROUPS, AND OTHER INTERESTED PARTIES WITH RELEVANT EXPERIENCE.**

**(12) A MEMBER OF AN EDUCATION COMMISSION IS A PUBLIC OFFICER AND SHALL, BEFORE ENTERING UPON THE DUTIES OF THE OFFICE, TAKE THE CONSTITUTIONAL OATH OF OFFICE FOR PUBLIC OFFICERS UNDER SECTION 1 OF ARTICLE XI OF THE STATE CONSTITUTION OF 1963.**

**(13) UPON REQUEST BY THE CHIEF ADMINISTRATIVE OFFICER, THE STATE SCHOOL REFORM/REDESIGN OFFICER SERVING UNDER SECTION 1280C MAY ORDER THAT THE EDUCATION COMMISSION SHALL REMAIN IN PLACE FOR THE COMMUNITY DISTRICT FOR AN ADDITIONAL 5-YEAR PERIOD AFTER THE EXPIRATION OF THE 5-YEAR PERIOD DESCRIBED IN SUBSECTION (1). THE STATE SCHOOL REFORM/REDESIGN OFFICER SHALL NOT ISSUE AN ORDER UNDER THIS SUBSECTION UNLESS HE OR SHE DETERMINES THAT THE EDUCATION COMMISSION HAS BEEN EFFECTIVE IN ACHIEVING A TURNAROUND IN THE COMMUNITY DISTRICT BASED ON THE FOLLOWING FACTORS:**

**(A) STABILIZATION OF OR INCREASE IN THE TOTAL MEMBERSHIP ENROLLED IN PUBLIC SCHOOLS LOCATED WITHIN THE COMMUNITY DISTRICT.**

**(B) THE ACADEMIC GROWTH AND PERFORMANCE OF PUPILS ENROLLED IN PUBLIC SCHOOLS LOCATED WITHIN THE COMMUNITY DISTRICT.**

**(C) IMPROVEMENT IN THE FINANCIAL CONDITION OF THE COMMUNITY DISTRICT.**

**SEC. 394A. (1) AN EDUCATION COMMISSION IS A POLITICAL SUBDIVISION AND A PUBLIC BODY CORPORATE SEPARATE AND DISTINCT FROM THE COMMUNITY DISTRICT. AN EDUCATION COMMISSION IS SUBJECT TO THE LEADERSHIP AND GENERAL SUPERVISION OF THE STATE BOARD OVER ALL PUBLIC EDUCATION TO THE EXTENT PROVIDED UNDER SECTION 3 OF ARTICLE VIII OF THE STATE CONSTITUTION OF 1963. AN EDUCATION COMMISSION MAY ACCEPT AND RETAIN MONEY OR OTHER ASSETS FROM ANY PUBLIC OR PRIVATE SOURCE FOR THE PURPOSES OF PERFORMING ITS FUNCTIONS AND SATISFYING ITS OBLIGATIONS UNDER THIS ACT AND CREATING AND PROVIDING INCENTIVES FOR PUBLIC SCHOOLS TO LOCATE IN AREAS IDENTIFIED AS PRIORITY ZONES UNDER SECTION 394D. IN DISTRIBUTING FUNDS OR ASSETS TO PUBLIC SCHOOL ENTITIES, THE EDUCATION COMMISSION SHALL NOT DISCRIMINATE BETWEEN CLASSES OF PUBLIC SCHOOL ENTITIES. IN MAKING SITING RECOMMENDATIONS UNDER SECTION 394D OR A SITING APPROVAL DECISION UNDER SECTION 394E, THE EDUCATION COMMISSION SHALL NOT CONSIDER AS A FACTOR ANY CONTRIBUTION OR GIFT OFFERED TO OR RECEIVED BY THE EDUCATION COMMISSION UNDER THIS SECTION.**

**(2) AN EDUCATION COMMISSION IS EXEMPT FROM ALL TAXATION ON ITS EARNINGS AND PROPERTY. INSTRUMENTS OF CONVEYANCE TO OR FROM AN EDUCATION COMMISSION ARE EXEMPT FROM ALL TAXATION, INCLUDING TAXES IMPOSED BY 1966 PA 134, MCL 207.501 TO 207.513. UNLESS THE PROPERTY IS ALREADY FULLY EXEMPT FROM REAL AND PERSONAL PROPERTY TAXES UNDER THE GENERAL PROPERTY TAX ACT, 1893 PA 206,**

**MCL 211.1 TO 211.155, PROPERTY OWNED BY AN EDUCATION COMMISSION IS EXEMPT FROM REAL AND PERSONAL PROPERTY TAXES LEVIED FOR SCHOOL OPERATING PURPOSES UNDER SECTION 1211, TO THE EXTENT EXEMPTED UNDER THAT SECTION, AND FROM REAL AND PERSONAL PROPERTY TAXES LEVIED UNDER THE STATE EDUCATION TAX ACT, 1993 PA 331, MCL 211.901 TO 211.906.**

**(3) AN EDUCATION COMMISSION SHALL SELECT FINANCIAL INSTITUTIONS FOR THE DEPOSIT OF FUNDS OF THE EDUCATION COMMISSION. THE EDUCATION COMMISSION SHALL KEEP A SET OF CODED ACCOUNTS TO BE APPROVED BY THE SUPERINTENDENT OF PUBLIC INSTRUCTION. AN EDUCATION COMMISSION SHALL HAVE ITS BOOKS AUDITED AT LEAST ANNUALLY BY A CERTIFIED PUBLIC ACCOUNTANT AND SHALL PROVIDE A COPY OF THE AUDIT REPORT TO THE STATE TREASURER. AN EDUCATION COMMISSION MAY INVEST FUNDS THROUGH A FINANCIAL INSTITUTION THAT IS NOT INELIGIBLE TO BE A DEPOSITORY OF SURPLUS FUNDS BELONGING TO THIS STATE UNDER SECTION 6 OF 1855 PA 105, MCL 21.146. AS USED IN THIS SUBSECTION, "FINANCIAL INSTITUTION" MEANS A STATE OR NATIONALLY CHARTERED BANK OR A STATE OR FEDERALLY CHARTERED SAVINGS AND LOAN ASSOCIATION, SAVINGS BANK, OR CREDIT UNION WHOSE DEPOSITS ARE INSURED BY AN AGENCY OF THE UNITED STATES GOVERNMENT AND THAT MAINTAINS A PRINCIPAL OFFICE OR BRANCH OFFICE LOCATED IN THIS STATE UNDER THE LAWS OF THIS STATE OR THE UNITED STATES.**

**(4) AT THE END OF THE 5-YEAR PERIOD UNDER SECTION 394(1) OR THE ADDITIONAL 5-YEAR PERIOD UNDER SECTION 394(12), AS APPLICABLE, THE EDUCATION COMMISSION SHALL BE FULLY DISSOLVED AND ANY REMAINING ASSETS OF THE EDUCATION COMMISSION SHALL BE TRANSFERRED TO THE COMMUNITY DISTRICT.**

**SEC. 394B. (1) AN EDUCATION COMMISSION SHALL HAVE THE FOLLOWING RIGHTS, POWERS, AND DUTIES:**

**(A) O SUE OR BE SUED.**

**(B) TO HIRE OR CONTRACT WITH PERSONNEL AS NECESSARY FOR THE EDUCATION COMMISSION TO PERFORM ITS FUNCTIONS UNDER THIS ACT. AN EDUCATION COMMISSION MAY INDEMNIFY ITS EMPLOYEES.**

**(C) O PROCURE APPROPRIATE GOODS AND SERVICES IN KINDS AND AMOUNTS NECESSARY TO CARRY OUT THE PURPOSES OF THE EDUCATION COMMISSION.**

**(D) O PROCURE INSURANCE FOR THE EDUCATION COMMISSION AND ITS EMPLOYEES AND CONTRACTORS IN TYPES AND AMOUNTS NECESSARY TO OPERATE THE EDUCATION COMMISSION.**

**(E) TO RECEIVE, ACCOUNT FOR, INVEST, OR EXPEND EDUCATION COMMISSION MONEY.**

**(F) O ACQUIRE, HOLD, AND TRANSFER INTERESTS IN PROPERTY.**

**(2) UNLESS OTHERWISE EXPRESSLY PROVIDED IN THIS ACT, AN EDUCATION COMMISSION SHALL NOT DIRECTLY OR INDIRECTLY OPERATE A PUBLIC SCHOOL OR PROVIDE EDUCATIONAL SERVICES TO ANY PUPIL.**

**SEC. 394C. AN EDUCATION COMMISSION SHALL COMPLY WITH ALL OF THE FOLLOWING:**

**(A) HE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275.**

**(B) THE FREEDOM OF INFORMATION ACT, 1976 PA 442, MCL 15.231 TO 15.246.**

**(C) HE UNIFORM BUDGETING AND ACCOUNTING ACT, 1968 PA 2, MCL 141.421 TO 141.440A.**

**(D) 1968 PA 317, MCL 15.321 TO 15.330.**

**(E) 1978 PA 566, MCL 15.181 TO 15.185.**

**SEC. 394D. (1) SUBJECT TO SUBSECTION (3), NOT LATER THAN 6 MONTHS AFTER THE COMPLETION OF APPOINTMENTS TO THE EDUCATION COMMISSION UNDER SECTION 394, AN EDUCATION COMMISSION SHALL PREPARE AND MAKE PUBLICLY AVAILABLE A REPORT ON THE SITING OF EXISTING AND FUTURE PUBLIC SCHOOLS WITHIN THE COMMUNITY DISTRICT THAT MAKES SPECIFIC SITING RECOMMENDATIONS FOR PUBLIC SCHOOLS WITHIN THE COMMUNITY DISTRICT. THE EDUCATION COMMISSION SHALL PROVIDE A COPY OF THIS REPORT TO THE SCHOOL BOARD OF THE COMMUNITY DISTRICT, TO THE STATE SCHOOL REFORM/REDESIGN OFFICER, TO THE AUTHORIZING BODY OF EACH PUBLIC SCHOOL ACADEMY LOCATED WITHIN THE COMMUNITY DISTRICT, AND TO THE STANDING COMMITTEES OF THE SENATE AND HOUSE OF REPRESENTATIVES WITH RESPONSIBILITY FOR EDUCATION LEGISLATION.**

**(2) SUBJECT TO SUBSECTION (3), AFTER THE EDUCATION COMMISSION HAS COMPLETED AND SUBMITTED THE REPORT UNDER SUBSECTION (1), THE EDUCATION COMMISSION SHALL PREPARE AND MAKE PUBLICLY AVAILABLE AN ANNUAL REPORT UPDATING THE INFORMATION AND RECOMMENDATIONS IN THE REPORT UNDER SUBSECTION (1). THE EDUCATION COMMISSION SHALL PROVIDE A COPY OF EACH ANNUAL REPORT TO THE SCHOOL BOARD OF THE COMMUNITY DISTRICT, TO THE STATE SCHOOL REFORM/REDESIGN OFFICER, TO THE AUTHORIZING BODY OF EACH PUBLIC SCHOOL ACADEMY LOCATED WITHIN THE COMMUNITY DISTRICT, AND TO THE STANDING COMMITTEES OF THE SENATE AND HOUSE OF REPRESENTATIVES WITH RESPONSIBILITY FOR EDUCATION LEGISLATION.**

**(3) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, AN EDUCATION COMMISSION SHALL MAKE ITS SITING RECOMMENDATIONS UNDER SUBSECTIONS (1) AND (2) BASED ON THE SITING OF EXISTING PUBLIC SCHOOLS WITHIN VARIOUS GEOGRAPHIC AREAS WITHIN THE COMMUNITY DISTRICT. THE RECOMMENDATIONS SHALL IDENTIFY AS "PRIORITY ZONES" THOSE GEOGRAPHIC AREAS WHERE THERE IS EXTRAORDINARY NEED FOR THE SITING OF NEW PUBLIC SCHOOLS TO SERVE RESIDENTS OF THOSE AREAS. THE EDUCATION COMMISSION SHALL MAKE ITS SITING RECOMMENDATIONS UNDER SUBSECTIONS (1) AND (2) BASED ON THE SITING OF EXISTING PUBLIC SCHOOLS WITHIN EACH OF THE ZIP CODES LOCATED IN THE COMMUNITY DISTRICT. THE RECOMMENDATIONS SHALL BE BROKEN DOWN BY GRADE CONFIGURATIONS AND SHALL TAKE INTO**

**ACCOUNT AT LEAST ALL OF THE FOLLOWING:**

**(A) THE RATIO OF SCHOOL-AGE POPULATION TO THE ENROLLMENT CAPACITY OF EXISTING PUBLIC SCHOOLS WITHIN EACH AREA. THE RECOMMENDATIONS SHALL EMPHASIZE THE NEED FOR ADDITIONAL PUBLIC SCHOOLS IN AREAS IDENTIFIED AS HAVING UNMET NEED FOR PUBLIC SCHOOLS BASED ON THIS RATIO.**

**(B) THE ACADEMIC OPPORTUNITIES AVAILABLE AT THE EXISTING PUBLIC SCHOOLS WITHIN EACH AREA BASED ON FACTORS IDENTIFIED BY THE EDUCATION COMMISSION, INCLUDING, BUT NOT LIMITED TO, STANDARDIZED TEST SCORES, PUPIL ATTENDANCE, EMPLOYEE ATTENDANCE AND TURNOVER, AND PARENTAL SATISFACTION.**

**(C) THE CONDITION OF THE EXISTING PUBLIC SCHOOL FACILITIES WITHIN EACH AREA, INCLUDING, BUT NOT LIMITED TO, THEIR GEOGRAPHIC DISTRIBUTION, PHYSICAL CONDITION, SUITABILITY FOR ALTERNATIVE GRADE CONFIGURATIONS, AND ENROLLMENT CAPACITY.**

**(D) THE DEMOGRAPHICS AND GENERAL CHARACTERISTICS OF NEIGHBORHOODS WITHIN EACH AREA, INCLUDING, BUT NOT LIMITED TO, SCHOOL-AGE POPULATION, ENROLLMENT TRENDS, CRIME RATES, AND HOUSING INVENTORY.**

**(E) THE ADEQUACY OF TRANSPORTATION AND OTHER PUBLIC SERVICES AVAILABLE TO EXISTING PUBLIC SCHOOLS WITHIN EACH AREA.**

**(4) THIS SECTION DOES NOT AUTHORIZE AN EDUCATION COMMISSION TO ESTABLISH OR RECOMMEND A CAP, BAN, OR MORATORIUM ON THE OPENING OF NEW PUBLIC SCHOOLS WITHIN A COMMUNITY DISTRICT; TO REGULATE OR AUDIT ANY ASPECT OF THE OPERATIONS OF AN EXISTING OR FUTURE PUBLIC SCHOOL ACADEMY OR AUTHORIZING BODY; OR TO EXERCISE ANY OTHER POWER OR AUTHORITY THAT IS NOT EXPRESSLY GRANTED TO AN EDUCATION COMMISSION UNDER THIS PART OR NECESSARILY INCIDENT TO A POWER EXPRESSLY GRANTED TO AN EDUCATION COMMISSION UNDER THIS PART.**

**(5) AS PART OF ITS REPORTS UNDER SUBSECTIONS (1) AND (2), AN EDUCATION COMMISSION MAY INCLUDE AN ASSESSMENT OF THE ACADEMICS AND OPERATIONS OF THE COMMUNITY DISTRICT AND MAKE RECOMMENDATIONS ON THE USE OF FACILITIES, ENROLLMENT, BUILDING CAPACITY, TRANSPORTATION, STUDENT PROFICIENCY AND GROWTH, GRADUATION RATES AND TRENDS, SPECIAL EDUCATION, WRAP-AROUND SERVICES, AND OTHER RELATED MATTERS. THIS SUBSECTION DOES NOT GRANT TO AN EDUCATION COMMISSION ANY AUTHORITY OVER A PUBLIC SCHOOL LOCATED WITHIN THE COMMUNITY DISTRICT WITH REGARD TO ANY RECOMMENDATIONS UNDER THIS SUBSECTION.**

**SEC. 394E. (1) IF THERE IS AN EDUCATION COMMISSION IN PLACE IN A COMMUNITY DISTRICT, EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THE SCHOOL BOARD OF THE COMMUNITY DISTRICT SHALL NOT TAKE ACTION TO APPROVE THE OPENING OF A NEW PUBLIC SCHOOL AND AN AUTHORIZING BODY SHALL NOT ISSUE A CONTRACT FOR A NEW PUBLIC SCHOOL ACADEMY TO BE LOCATED IN THE COMMUNITY DISTRICT**

**WITHOUT SITING APPROVAL BY THE EDUCATION COMMISSION UNDER SUBSECTION (2). THIS SITING APPROVAL IS NOT REQUIRED FOR A PROPOSED NEW SCHOOL IF THAT SCHOOL MEETS EITHER OF THE FOLLOWING:**

**(A) HE NEW SCHOOL WILL BE OPERATED BY THE SCHOOL BOARD OF THE COMMUNITY DISTRICT AND WILL REPLICATE A SPECIFIC EXISTING SCHOOL THAT IS OPERATED BY THE COMMUNITY DISTRICT AND THAT HAS BEEN DETERMINED BY THE EDUCATION COMMISSION TO BE A HIGH-PERFORMING SCHOOL. FOR THE PURPOSES OF THE LIMITATION UNDER THIS SUBDIVISION, THERE MAY NOT BE MORE THAN 1 NEW SCHOOL REPLICATING A SPECIFIC EXISTING SCHOOL.**

**(B) IF THE ACCOUNTABILITY SYSTEM UNDER SECTION 393 HAS BEEN IN EFFECT FOR FEWER THAN 3 SCHOOL YEARS, THE NEW SCHOOL WILL BE A PUBLIC SCHOOL ACADEMY THAT WILL REPLICATE A SPECIFIC EXISTING PUBLIC SCHOOL THAT IS OPERATED BY THE SAME GOVERNING BOARD OR EDUCATIONAL MANAGEMENT ORGANIZATION THAT WILL OPERATE THE PROPOSED NEW PUBLIC SCHOOL ACADEMY AND THAT HAS BEEN DETERMINED BY THE EDUCATION COMMISSION TO BE A HIGH-PERFORMING SCHOOL. FOR THE PURPOSES OF THE LIMITATION UNDER THIS SUBDIVISION, THERE MAY NOT BE MORE THAN 1 NEW PUBLIC SCHOOL ACADEMY REPLICATING A SPECIFIC EXISTING PUBLIC SCHOOL.**

**(2) IF THERE IS AN EDUCATION COMMISSION IN PLACE IN A COMMUNITY DISTRICT, FOR A PROPOSED NEW SCHOOL THAT IS NOT EXEMPT UNDER SUBSECTION (1) FROM THE REQUIREMENT FOR EDUCATION COMMISSION SITING APPROVAL, BEFORE THE SCHOOL BOARD OF THE COMMUNITY DISTRICT TAKES ACTION TO APPROVE THE OPENING OF A NEW PUBLIC SCHOOL OR AN AUTHORIZING BODY ISSUES A CONTRACT FOR A NEW PUBLIC SCHOOL ACADEMY TO BE LOCATED IN THE COMMUNITY DISTRICT, THE SCHOOL BOARD OR AUTHORIZING BODY SHALL SUBMIT A WRITTEN REQUEST FOR SITING APPROVAL TO THE EDUCATION COMMISSION. THE EDUCATION COMMISSION SHALL CONSIDER AND ACT TO APPROVE OR DISAPPROVE A SITING APPROVAL REQUEST WITHIN 90 DAYS AFTER IT IS SUBMITTED TO THE EDUCATION COMMISSION. THE SITING APPROVAL REQUEST IS CONSIDERED TO BE APPROVED IF THE EDUCATION COMMISSION DOES NOT DISAPPROVE THE SITING APPROVAL REQUEST WITHIN 90 DAYS AFTER IT IS SUBMITTED FOR APPROVAL. IF THE EDUCATION COMMISSION DISAPPROVES A SITING APPROVAL REQUEST DESCRIBED IN THIS SUBDIVISION, THE PERSON SUBMITTING THE REQUEST MAY APPEAL THAT DECISION TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION WITHIN 30 DAYS AFTER THE DATE OF THE DISAPPROVAL. THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL CONSIDER THE APPEAL WITHIN 60 DAYS AFTER IT IS SUBMITTED. UNLESS THE SUPERINTENDENT OF PUBLIC INSTRUCTION DETERMINES WITHIN THIS 60-DAY PERIOD THAT THE DISAPPROVAL WAS ARBITRARY AND CAPRICIOUS, THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL AFFIRM THE DISAPPROVAL. IF THE SUPERINTENDENT OF PUBLIC INSTRUCTION ISSUES**



**TO THE PERSON SUBMITTING THE REQUEST AND THE EDUCATION COMMISSION WITHIN THIS 60-DAY PERIOD A FINDING THAT THE DISAPPROVAL WAS ARBITRARY AND CAPRICIOUS, THE SITING APPROVAL REQUEST SHALL BE CONSIDERED TO BE APPROVED. THE DECISION OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION IS FINAL AND IS NOT SUBJECT TO FURTHER APPEAL.**

**(3) IF THERE IS AN EDUCATION COMMISSION IN PLACE IN THE COMMUNITY DISTRICT, FOR A PROPOSED NEW SCHOOL THAT IS EXEMPT UNDER SUBSECTION (1) FROM THE REQUIREMENT FOR EDUCATION COMMISSION SITING APPROVAL, BEFORE THE SCHOOL BOARD OF THE COMMUNITY DISTRICT TAKES ACTION TO APPROVE THE OPENING OF A NEW PUBLIC SCHOOL OR AN AUTHORIZING BODY ISSUES A CONTRACT FOR A NEW PUBLIC SCHOOL ACADEMY TO BE LOCATED IN THE COMMUNITY DISTRICT, THE SCHOOL BOARD OR AUTHORIZING BODY SHALL PROVIDE THE EDUCATION COMMISSION OF THE COMMUNITY DISTRICT A PERIOD OF AT LEAST 90 DAYS TO SUBMIT WRITTEN COMMENTS CONCERNING THE LOCATION OF THE PROPOSED NEW SCHOOL, UNLESS THE EDUCATION COMMISSION AGREES IN WRITING TO WAIVE THE COMMENT PERIOD. IF THE EDUCATION COMMISSION SUBMITS WRITTEN COMMENTS CONCERNING THE LOCATION OF THE PROPOSED NEW SCHOOL, THE SCHOOL BOARD OR AUTHORIZING BODY SHALL CONSIDER THE EDUCATION COMMISSION'S COMMENTS AS PART OF ITS DECISION WHETHER OR NOT TO TAKE FINAL ACTION TO APPROVE THE OPENING OF THE NEW SCHOOL OR TO ISSUE A CONTRACT FOR THE NEW PUBLIC SCHOOL ACADEMY, AS APPLICABLE.**

**(4) AS PART OF THE COMMENT PROCESS UNDER SUBSECTION (3), THE EDUCATION COMMISSION MAY REQUEST THE STATE SCHOOL REFORM/REDESIGN OFFICER TO REVIEW A PROPOSED NEW SCHOOL TO ENSURE THAT IT MEETS THE STANDARDS UNDER SUBSECTION (5) FOR BEING CONSIDERED TO BE REPLICATING AN EXISTING SCHOOL. IF THE EDUCATION COMMISSION REQUESTS SUCH A REVIEW, THE STATE SCHOOL REFORM/REDESIGN OFFICER SHALL CONDUCT THE REVIEW. IF THE STATE SCHOOL REFORM/REDESIGN OFFICER DETERMINES AS A RESULT OF THE REVIEW THAT A PROPOSED NEW SCHOOL DOES NOT MEET THE STANDARDS UNDER SUBSECTION (5) FOR BEING CONSIDERED TO BE REPLICATING AN EXISTING SCHOOL, THE STATE SCHOOL REFORM/REDESIGN OFFICER SHALL NOTIFY THE SCHOOL BOARD OF THE COMMUNITY DISTRICT OR THE AUTHORIZING BODY, AS APPLICABLE, OF THIS DETERMINATION. A REVIEW BY THE STATE SCHOOL REFORM/REDESIGN OFFICER UNDER THIS SUBSECTION IS LIMITED TO THE ISSUE OF WHETHER A PROPOSED NEW SCHOOL MEETS THE STANDARDS UNDER SUBSECTION (5) FOR BEING CONSIDERED TO BE REPLICATING AN EXISTING SCHOOL AND SHALL NOT CONSIDER SITING OF THE PROPOSED NEW SCHOOL OR ANY OTHER ISSUE.**

**(5) FOR THE PURPOSES OF THIS SECTION, A NEW SCHOOL IS CONSIDERED TO BE REPLICATING AN EXISTING SCHOOL IF THE NEW SCHOOL WILL OPERATE USING THE SAME EDUCATIONAL AND**

**OPERATIONAL MODELS AS THE EXISTING SCHOOL, WILL OPERATE THE SAME AGE OR GRADE CONFIGURATION AS THE EXISTING SCHOOL, AND WILL HAVE A DEMOGRAPHICALLY SIMILAR EXPECTED PUPIL POPULATION AS THE EXISTING SCHOOL.**

**SEC. 394F. ALL PUBLIC SCHOOLS LOCATED WITHIN THE BOUNDARIES OF A COMMUNITY DISTRICT ARE SUBJECT TO THE AUTHORITY PROVIDED FOR AN EDUCATION COMMISSION UNDER SECTIONS 394 TO 394E."**

Representative Banks explained the amendment.

Representative Banks moved to adopt the amendment to HB 5384, as substitute (H-1). The motion did not prevail by a vote of 11-18-0.

**UNFAVORABLE ROLL CALL:**

Yeas: Reps. Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Nays: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.

Pass: None.

Representative Banks offered the following amendments to HB 5384, as substituted (H-1):

1. Amend page 25, line 20, after the first "**OF**" by striking out "**7**" and inserting "**9**".
2. Amend page 25, line 25, by striking out "**4**" and inserting "**5**".
3. Amend page 25, line 26, after "**TOP**" by striking out "**7**" and inserting "**9**".
4. Amend page 25, line 27, after the first "**THE**" by striking out "**3**" and inserting "**4**".
5. Amend page 26, line 2, after "**TOP**" by striking out "**7**" and inserting "**9**".

Representative Banks explained the amendments.

Representative Banks moved to adopt the amendments to HB 5384, as substitute (H-1). The motion did not prevail by a vote of 11-18-0.

**UNFAVORABLE ROLL CALL:**

Yeas: Reps. Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Nays: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.

Pass: None.

Representative Garcia moved to report HB 5384 with recommendation, as substituted (H-1). The motion prevailed by a vote of 18-10-1.

**FAVORABLE ROLL CALL:**

Yeas: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready,

Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.  
Nays: Reps. Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.  
Pass: Rep. Santana.

Representative Inman moved to adopt substitute (H-1) for SB 711. The motion prevailed by a vote of 18-10-1.

**FAVORABLE ROLL CALL:**

Yeas: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.  
Nays: Reps. Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.  
Pass: Rep. Santana.

Representative Durhal offered the following amendment to SB 711, as substitute (H-1):

1. Amend page 7, line 22, by striking out all of section 7.

Representative Durhal explained the amendment.

Representative Durhal moved to adopt the amendment for SB 711, as substitute (H-1). The motion did not prevail by a vote of 11-18-0.

**UNFAVORABLE ROLL CALL:**

Yeas: Reps. Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.  
Nays: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.  
Pass: None.

Representative Inman moved to report SB 711 with recommendation, as substitute (H-1). The motion prevailed by a vote of 17-11-1.

**FAVORABLE ROLL CALL:**

Yeas: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Canfield, Cox, Garcia, Inman and Aaron Miller.  
Nays: Reps. Bizon, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.  
Pass: Rep. Santana.

Representative Garcia moved to adopt substitute (H-2) for HB 5387. The motion prevailed by a vote of 16-13-0.

**FAVORABLE ROLL CALL:**

Yeas: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.  
Nays: Reps. Kelly, McCready, Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke,

Durhal, Hoadley and Pagan.

Pass: None.

Representative Faris offered the following amendments to HB 5387, as substituted (H-2):

1. Amend page 4, line 3, after "**SHALL**" by striking out "**NOT**".
2. Amend page 10, line 23, after "**IS**" by striking out "**NOT**".
3. Amend page 10, line 25, after "**IS**" by striking out "**NOT**".
4. Amend page 11, line 1, by striking out all of subdivisions **(b)** and **(c)** and relettering the remaining subdivision.
5. Amend page 11, line 10, after "**employer**" by striking out the balance of the line through "**NOT**" on line 11 and inserting "**ARE**".
6. Amend page 11, line 15, by striking out all of enacting section 2.

Representative Faris explained the amendments.

Representative Faris moved to adopt the amendments to HB 5384, as substitute (H-2). The motion did not prevail by a vote of 11-18-0.

**UNFAVORABLE ROLL CALL:**

Yeas: Reps. Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Nays: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.

Pass: None.

Representative Garcia moved to report HB 5387 with recommendation, as substitute (H-2). The motion prevailed by a vote of 15-14-0.

**FAVORABLE ROLL CALL:**

Yeas: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Kelly, Pagel, VerHeulen, Victory, Afendoulis, Canfield, Cox, Garcia, Inman and Aaron Miller.

Nays: Reps. Potvin, McCready, Bizon, Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Pass: None.

Representative Bumstead moved to adopt substitute (H-1) for SB 820. The motion prevailed by a vote of 18-11-0.

**FAVORABLE ROLL CALL:**

Yeas: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.

Nays: Reps. Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Pass: None.

Representative Bumstead moved to report SB 820 with recommendation, as substitute (H-1). The motion prevailed by a vote of 17-12-0.

**FAVORABLE ROLL CALL:**

Yeas: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Canfield, Cox, Garcia, Inman and Aaron Miller.

Nays: Reps. Bizon, Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Pass: None.

Representative Bumstead moved to adopt substitute (H-2) for SB 822. The motion prevailed by a vote of 16-13-0.

**FAVORABLE ROLL CALL:**

Yeas: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Garcia, Inman and Aaron Miller.

Nays: Reps. Potvin, Cox, Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Pass: None.

Representative Banks offered the following amendment for SB 822, as substituted (H-2):

1. Amend page 8, line 22, after "**380.12b.**" by inserting "**In addition, the board also may authorize a loan of up to \$31,000,000.00 to a school district that is or becomes a qualifying school district as described in section 12b of the revised school code, 1976 PA 451, MCL 380.12b, for the purpose of repaying teachers who contributed a portion of their salary to the school district as a loan to the school district, or who had a portion of their salary withheld by the school district as a loan to the school district, pursuant to a collective bargaining agreement.**".

Representative Banks explained the amendment.

Representative Banks moved to adopt the amendment for SB 822, as substituted (H-2). The motion did not prevail by a vote of 11-18-0.

**UNFAVORABLE ROLL CALL:**

Yeas: Reps. Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Nays: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Potvin, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Bizon, Canfield, Cox, Garcia, Inman and Aaron Miller.

Pass: None.

Representative Bumstead moved to report SB 822 with recommendation, as substitute (H-2). The motion prevailed by a vote of 15-14-0.

**FAVORABLE ROLL CALL:**

Yeas: Reps. Pscholka, Bumstead, Jenkins, Muxlow, Poleski, Kelly, McCready, Pagel, VerHeulen, Victory, Afendoulis, Canfield, Garcia, Inman and Aaron Miller.

Nays: Reps. Potvin, Bizon, Cox, Santana, Irwin, Roberts, Banks, Faris, Singh, Yanez, Zemke, Durhal, Hoadley and Pagan.

Pass: None.

There being no further business to come before the committee, the Chair adjourned the meeting, the time being 12:59 p.m.

---

Representative Pscholka, Chair

Matthew Carnagie  
Committee Clerk  
May 3<sup>rd</sup>, 2016

---

Date Approved and Signed